

STATE OF VERMONT
PUBLIC SERVICE BOARD

Docket No. 6682

Petition of Citizens Communications Company)
for a Certificate of Public Good Pursuant to 30)
V.S.A. § 248 for the retirement and removal of)
the 46/12.47 kV H.K. Webster Substation and a)
transmission line to the H.K. Webster)
Substation, and for the reconstruction of the)
46/4.16 kV Richford Substation to operate at)
46/12.46 kV)

Order entered: 7/10/2002

I. INTRODUCTION

This case involves a petition filed on February 13, 2002, and April 8, 2002, by Citizens Communications Company, d/b/a Citizens Energy Services ("Citizens"), requesting a certificate of public good ("CPG") under 30 V.S.A. § 248(j). Citizens seeks to (a) retire the substation and remove the existing 46/12.47 kV H.K. Webster Substation in Richford, Vermont, that currently serves Blue Seal Feeds, Inc., and remove its equipment for use on other sites, (b) retire and remove the existing 1.9 mile, 46 kV transmission line that serves the H.K. Webster Substation, and (c) reconstruct the existing 46/4.16 kV Richford Substation in Richford, Vermont, to operate at 46/12.47 kV.

Citizens has served the petition, prefiled testimony, proposed findings, and a proposed order (along with a prospective CPG) on the Public Service Board ("Board"), the Vermont Department of Public Service ("DPS") and the Vermont Agency of Natural Resources ("ANR"), as specified in 30 V.S.A. § 248(a)(4)(C), pursuant to the requirements of 30 V.S.A. § 248(j)(2).

Notice of the filing in this docket was sent on May 2, 2002, to all parties specified in 30 V.S.A. § 248(a)(4)(C) and all other interested persons. The notice stated that any party wishing to submit comments as to whether the petition raises a significant issue with respect to the substantive criteria of 30 V.S.A. § 248 must file the comments with the Board on or before

June 3, 2002. Notice of the filing, with a request for comments on or before June 3, 2002, was also published in the *St. Albans Messenger* on May 6 and 13, 2002.

The ANR filed comments with the Board on June 3, 2002. In its filing, the ANR does not oppose the proposed project and does not request a hearing. The ANR states that it does not believe the subject petition raises a significant issue with respect to the substantive criteria of 30 V.S.A. § (b)(5); however, the ANR notes that the proposed removal of the 1.9 mile 46 kV transmission line may require work within or in close proximity to class II wetland areas. As a result, the ANR requests the inclusion of an additional condition in the CPG to ensure the protection of the wetland resources. In addition, the ANR states that a portion of the proposed removal of the 1.9 mile 46 kV transmission line involves the crossing of two channels of the Missisquoi River and the ANR requests the inclusion of a condition in the CPG to ensure the protection of the river from any sediment discharge. No comments or objections to the ANR requests have been received from Citizens, and we have adopted the ANR requests in today's order.

The DPS filed a Determination under 30 V.S.A. § 202(f) on June 4, 2002.

No comments were received from any other parties or interested persons.

The Board has reviewed the petition and accompanying documents and agrees that, pursuant to 30 V.S.A. § 248(j), a CPG should be issued without the notice and hearings otherwise required by 30 V.S.A. § 248.

II. FINDINGS

Based upon the petition and accompanying documents, the Board hereby makes the following findings in this matter.

1. Citizens is a company as defined in 30 V.S.A. § 201. Pet. at 1.
2. Citizens owns and operates electric transmission and distribution facilities in the Town of Richford, Vermont, area. Shlatz pf. at 3-5.
3. Citizens is proposing to replace and upgrade portions of its existing system in Richford, Vermont. Specifically, Citizens is proposing to: (1) retire an existing 1.9 mile 46 kV transmission line in Richford, Vermont; (2) retire the existing 46/12.47 kV H.K. Webster

Substation in Richford that currently serves the Blue Seal Feed Company; and (3) upgrade the existing 46/4.16 kV Richford Substation to operate at 46/12.47 kV. Shlatz pf. at 4-7.

4. The subject existing 1.9 mile 46 kv transmission line, which serves the H.K. Webster Substation, is deteriorated and obsolete. In addition, Citizens has been asked to remove the H.K. Webster Substation, which is located on property owned by the Blue Seal Feeds Company. Given these factors, Citizens has determined that it should provide service to the Blue Seal Feed Company by upgrading the existing Richford Substation and converting the area distribution lines to a higher voltage, which will also provide more efficient service to the Richford area in general, plus enhance both system reliability and stability. Shlatz pf. at 6-7.

5. With respect to the existing Richford Substation, Citizens proposes to reconstruct it within the existing fence boundary. As reconstructed, the substation will essentially perform the same functions and appear similar to the existing substation. Additionally, Citizens proposes to provide a graveled access along the north side of the fence of the substation (Shlatz pf. at 5) and has submitted a screening plan to minimize any visual or aesthetic impacts from the substation. Boyle pf. at 3. The proposed reconstructed substation will also involve the removal of a 46 kV oil circuit breaker and the installation of oil containment facilities. Shlatz pf. at 5.

6. Associated with this proposed project, Citizens proposes to convert about 2.5 miles of 3-phase distribution line and 3 miles of single-phase distribution line in Richford from 4.16 kv to operate at 12.46 kV. The upgraded distribution lines and substation will provide service to the Richford area, including Blue Seal Feed Company. Shlatz pf. at 6.

7. As to the disposition of the equipment that Citizens proposes to remove from the existing H.K. Webster Substation, most of that equipment is in good condition and will be returned to stock for use elsewhere on Citizens' system. Shlatz pf. at 5.

Orderly Development of the Region

[30 V.S.A. § 248(b)(1)]

8. The proposed project will not unduly interfere with the orderly development of the region, with due consideration having been given to the recommendations of the municipal and regional planning commissions, the recommendations of municipal legislative bodies, and the

land conservation measures contained in the plan of any affected municipality. This finding is supported by findings 9 through 14, below.

9. A description of the proposed project was sent and telephone contact made to the Northwest Regional Planning and Development Commission and the Richford Town Planning Board. In addition, Citizens met with Richford town officials concerning the impact of the proposed project on land conservation issues, as outlined in the Richford town plan, titled "Town Plan 2001." No concerns have been raised by any of these agencies regarding the proposed project. Shlatz pf. at 10; Shlatz amend. pf. at 2-3.

10. The proposed retirement and removal of the H.K. Webster Substation, which is located within an industrial district, will provide Blue Seal Feeds with greater flexibility to utilize its property for other industrial purposes. Shlatz pf. at 10; Shlatz amend. pf. at 2.

11. The proposed removal of the 46 kv transmission line (partially located in a residential district and the remainder in a recreational/conservation district) will allow the land upon which the existing line is located to be used in accordance with the town plan. Shlatz amend. pf. at 3.

12. The existing Richford Substation lies within an agricultural district. The land adjoining the Richford Substation is currently not used for agricultural purposes and the proposed substation project will not affect any ongoing agricultural activities in the district. Shlatz amend. pf. at 2.

13. Since the proposed project will not result in an increase in the size of the substation site, there will be little, if any, impact on land use. Shlatz amend. pf. at 2.

14. The proposed upgrade will enable Citizens to provide more stable and reliable service in general to its customers. Shlatz pf. at 10.

Need For Present and Future Demand for Service

[30 V.S.A. § 248(b)(2)]

15. The proposed project is required to meet the need for present and future demand for service which could not otherwise be provided in a more cost effective manner through energy conservation programs and measures in energy efficiency load management measures. This finding is supported by findings 4-6, above, and 16-19, below.

16. The proposed project is necessary to replace the service provided by the subject 46 kv transmission line and the existing H.K. Webster Substation, both of which are being removed (See finding 4 above). The subject 1.9 mile 46 kv transmission line to the H.K. Webster Substation is old, obsolete, and would need to be upgraded or retired even if the substation were not being removed. In addition, the Richford area is served at 4.16 kV, an obsolete and inefficient voltage that no longer is a standard delivery voltage for Citizens and many other Vermont utilities. Shlatz pf. at 11.

17. The proposed project is consistent with Citizens' 1997 IRP which recommends that 175.4 miles of its lower voltage lines be converted to operate at a higher voltage. Shlatz pf. at 11.

18. The proposed project is also consistent with the Board's Order in Docket No. 6045, relating to the construction of the H.K. Webster Substation, which included a recommendation to expand the existing Richford Substation and convert area circuits to 12.47 kV. Shlatz pf. at 11.

19. Because the proposed upgrades represent energy efficiency measures due to a reduction in losses, and are necessary to improve system performance and replace obsolete and deteriorated facilities, the need for the proposed substation upgrades could not have been avoided through energy efficiency, load management or distributed utility planning measures. Shlatz pf. at 11-12.

System Stability and Reliability

[30 V.S.A. § 248(b)(3)]

20. The proposed project will have no adverse effect on system stability and reliability; in fact, both criteria will be improved. This finding is supported by findings 21 and 22, below.

21. System stability will improve as a result of improved voltage control. Shlatz pf. at 16.

22. The proposed project will enhance system reliability by providing for a full backup of lines served from the nearby East Berkshire Substation and the upgraded Richford Substation, as a result of the voltage conversion to 12.47 kv. Also, once the proposed project is completed, should either substation be taken out of service for maintenance or as a result of a failure, Citizens will have the capability to rapidly and inexpensively transfer load to maintain service. Shlatz pf. at 16-17.

Economic Benefit to the State

[30 V.S.A. § 248(b)(4)]

23. The proposed project will result in an economic benefit to the State. This finding is supported by findings 24 through 27, below.

24. The total cost of the proposed project is estimated to be \$447,878, broken down as follows:

46 kv transmission line removal	\$15,000
H. K. Webster Substation removal	5,000
Richford Substation removal	30,000
Richford Substation rebuild	<u>397,878</u>
Total	\$447,878

Shlatz pf. at 7-8.

25. The proposed distribution line upgrades (See finding 6 above), which are associated with the proposed project but not subject to Board approval under 30 V.S.A. § 248, are estimated to cost \$200,000. Shlatz pf. at 8.

26. Twenty year present worth cost totals indicate that the proposed retirements and upgrades are justified based on the results of least-cost integrated planning studies. Such planning indicates that the proposed 12.47 kV expansion options are economically superior to continuing to operate the system at 4.16 kV. Loss studies indicate the capital costs of the proposed 12.47 kV conversion are offset by the reduced line losses. Shlatz pf. at 17-18.

27. Additionally, the proposed project is consistent with the desires of Blue Seal Feeds Company, a significant employer in the Richford area, and will allow for potential economic benefit as a result of increased flexibility in the use of its lands to accommodate facility expansion or related needs. Shlatz pf. at 10.

**Aesthetics, Historic Sites, Air and
Water Purity, the Natural Environment and Public**

Health and Safety

[30 V.S.A. § 248(b)(5)]

28. The project as proposed will not have an undue adverse effect on aesthetics, historic sites, air and water purity, the natural environment and the public health and safety. This finding is supported by findings 29 through 52, below, which are based on the criteria specified in 10 V.S.A. §§ 1424a(d) and 6086(a)(1) through (8), 8(A) and (9)(K).

Outstanding Resource Waters

[10 V.S.A. § 1424a(d)]

29. The proposed project does not involve a facility affecting or located on any segment of water designated an outstanding water resource. Shlatz pf. at 21; Gilman pf. at 7.

Water and Air Pollution

[10 V.S.A. § 6086(a)(1)]

30. The project as proposed will not result in undue water or air pollution. This finding is supported by findings 31 through 39, below.

31. Other than the minimal impact from dust associated with the proposed construction, there will be no effect on air pollution. Gilman pf. at 3.

32. Other than the potential for accidental spills of transformer oil at the Richford Substation site, and from the dismantling of the H.K. Webster Substation, there will be no pollution or effect on water purity as a result of the proposed project. In addition, any spill potential at the Richford Substation site will be decreased from its current potential by the construction of spill containment facilities that are proposed as part of this proposed project. Gilman pf. at 3.

Headwaters

[10 V.S.A. § 6086(a)(1)(A)]

33. The proposed project will have no effect on headwaters, because none exist within the proposed project area. Gilman pf. at 4.

Waste Disposal

[10 V.S.A. § 6086(a)(1)(B)]

34. There will be no waste generated as a result of the proposed construction at the Richford Substation. Any materials for disposal generated from the proposed dismantling of the H.K. Webster Substation and the 46 kV transmission line will be sent to an approved lined landfill. Thus, the proposed project will not have an undue adverse impact on waste disposal. Gilman pf. at 4.

Water Conservation

[10 V.S.A. § 6086(a)(1)(C)]

35. The proposed project will have no effect on water conservation, as there is no water requirement for the proposed project. Gilman pf. at 4.

Floodways

[10 V.S.A. § 6086(a)(1)(D)]

36. There will be no undue adverse impact on floodways. Neither of the subject substations is located within a floodway. Although the 46 kV transmission line that Citizens proposes to remove crosses the flood plain of the Missisquoi River, the removal of the transmission structures may in fact represent an improvement over existing conditions by improving adequate passage of water during floods. Gilman pf. at 4-5.

Streams

[10 V.S.A. § 6086(a)(1)(E)]

37. There are no streams near the Richford and H.K. Webster Substations. The 46 kv transmission line which is proposed for removal crosses the Missisquoi River, but no adverse impacts are anticipated from its removal. Gilman pf. at 5.

Shorelines

[10 V.S.A. § 6086(a)(1)(F)]

38. No shorelines will be impacted by the proposed removal of the H.K. Webster Substation or the reconstruction of the Richford Substation. The proposed removal of the 46 kv

transmission line should have no adverse impact to the shoreline of the Missisquoi River. Gilman pf. at 5.

Discussion

We accept the finding that the proposed project will have no adverse impact to the shoreline of the Missisquoi River. To ensure that there is no such impact, we also accept the ANR-requested condition that we will include as Condition 6 in the attached CPG.

Wetlands

[10 V.S.A. § 6086(a)(1)(G)]

39. There are no wetland areas near the H.K. Webster or Richford Substations. Any wet areas in the vicinity of the subject 46 kv transmission line proposed for removal will be left undisturbed. Gilman pf. at 5.

Discussion

We accept the finding that the proposed project will not disturb any wet areas in the vicinity of the 46 kv transmission line proposed for removal. To ensure that there is no such impact, we also accept the ANR-requested condition that we will include as Condition 5 in the attached CPG.

Sufficiency of Water And Burden on

Existing Water Supply

[10 V.S.A. § 6086(a)(2)(3)]

40. The proposed project will not use any water and will have no effect on any existing water supply. Gilman pf. at 5.

Soil Erosion

[10 V.S.A. § 6086(a)(4)]

41. The proposed project will not result in unreasonable soil erosion or reduce the ability of the land to hold water. The proposed expansion of the Richford Substation site is in an area that is only slightly sloping and the soil surface will be stabilized by crushed stone and/or vegetation. No adverse impacts on soil erosion will result from the proposed removal of the H.K. Webster Substation and associated 46 kv transmission line. Gilman pf. at 5-6.

Discussion

We accept the condition that there will be no adverse impact on soil erosion resulting from the removal of the 46 kv transmission line. To ensure that there is no such impact, we also accept the ANR-requested condition that we will include as Condition 5 in the attached CPG.

Traffic

[10 V.S.A. § 6086(a)(5)]

42. Other than the temporary traffic associated with the proposed construction at the Richford Substation, the dismantling of the H.K. Webster Substation and the removal of the 46 kv transmission line, there will be no impact on traffic. Gilman pf. at 6.

Educational Services

[10 V.S.A. § 6086(a)(6)]

43. The proposed project will have no impact on educational services. Gilman pf. at 6.

Municipal Services

[10 V.S.A. § 6086(a)(7)]

44. The proposed project will have no impact on municipal services. Gilman pf. at 6.

Aesthetics, Historic Sites or Rare**And Irreplaceable Natural Areas**

[10 V.S.A. § 6086(a)(8)]

45. The proposed project will have no undue adverse effect on the scenic or natural beauty, aesthetics, historic sites or rare and irreplaceable natural areas. This finding is supported by findings 46-51, below.

46. The H.K. Webster Substation is located in a residential/industrial and landscaped area, and there are no rare and irreplaceable natural areas in the vicinity. Gilman pf. at 6.

47. The subject 46 kv transmission line passes through no known areas that would be considered necessary wildlife habitat, nor through any rare or irreplaceable natural areas, nor near any known populations of any rare, threatened or endangered species. Gilman pf. at 6.

48. The proposed removal of the 46 kv transmission line and the H.K. Webster Substation may result in some positive aesthetic and wildlife benefit, as a result of the removal of man-made features. Gilman pf. at 7.

49. The subject Richford Substation is located at 6-8 feet above a curved section of State Route 105 and the proposed improvements will result in no perceivable visual impact. Boyle pf. at 2.

50. Citizens proposes to add screening along the top of the slope adjacent to the pole yard of the subject Richford Substation. In addition, Citizens proposes to reduce the visual impact of the substation facilities by using a uniform grey color to match the majority of the existing equipment and the chain link fence. Boyle pf. at 3; exhs. TJB-4(a), TJB-4(b).

51. The proposed removal of the 46 kV transmission line will result in an aesthetic improvement for the landscape. Boyle pf. at 2.

Necessary Wildlife Habitat and

Endangered Species

[10 V.S.A. § 6086(a)(8)(A)]

52. The proposed project will have no impact on any known natural areas, necessary wildlife habitat or endangered species. Gilman pf. at 6.

Development Affecting Public Investments

[10 V.S.A. § 6086(a)(9)(K)]

53. The proposed facilities will not unnecessarily or unreasonably endanger the public or public investments, and any public facilities, services or lands, or materially jeopardize or interfere with the function, efficiency or safety of, or the public's use or enjoyment of or access to the facility, service or lands. There are no public investments that will be impacted by this proposed project. Gilman pf. at 7.

Public Health and Safety

[30 V.S.A. § 248(b)(5)]

54. The proposed project will be constructed consistent with sound engineering and construction practices, in accordance with all applicable safety and health standards. Shlatz pf. at 11-12. The proposed project will be constructed in accordance with the National Electrical Safety Code. Public Service Board Rule No. 3.500.

Consistency with Resource Selection**Integrated Resource Selection**

[30 V.S.A. § 248(b)(6)]

55. Each of the proposed project and distribution system upgrades are included in Citizens' 1997 IRP. Shlatz pf. at 11, 19.

Compliance With Electric Energy Plan

[30 V.S.A. § 248(b)(7)]

56. The project as proposed is consistent with the Vermont 20-Year Electric Plan. The DPS has determined, in a letter dated June 4, 2002, that the proposed project is consistent with the Vermont 20-Year Electric Plan in accordance with 30 V.S.A. § 202(f), provided that Citizens constructs the proposed project in a manner consistent with its prefiled testimony in this docket. DPS Section 202(f) Determination.

Outstanding Water Resources

[30 V.S.A. § 248(b)(8)]

57. The proposed project does not involve a facility affecting or located on any segment of water designated as an outstanding water resource. Shlatz pf. at 21.

Existing Transmission Facilities

[30 V.S.A. § 248(b)(10)]

58. Because Citizens has been asked to remove the existing H.K. Webster Substation from its current location on property it does not own and the transmission line serving that substation is undersized and obsolete, Citizens proposes to retire the H.K. Webster Substation and the 46 kv transmission line serving it, upgrade the existing Richford Substation (a planned facility in accordance with Citizens' 1997 IRP and PSB Docket No. 6045), and convert the area distribution lines to a higher voltage, in accordance with the least-cost planning criteria. In addition, the proposed project will meet the need for current future demand without undue adverse effect on Vermont utilities or customers. Shlatz pf. at 21-22.

III. CONCLUSION

Based upon all of the above evidence, the proposed construction will be of limited size and scope; the petition does not raise a significant issue with respect to the substantive criteria of 30 V.S.A. § 248; the public interest is satisfied by the procedures authorized in 30 V.S.A. § 248(j); and the proposed project will promote the general good of the state.

IV. ORDER

IT IS HEREBY ORDERED, ADJUDGED AND DECREED by the Public Service Board of the State of Vermont that the retirement and removal of the existing 46/12.47 kV H.K. Webster Substation, the retirement and removal of the existing 1.9 mile 46 kV transmission line that serves the H.K. Webster Substation in Richford, Vermont, and the reconstruction of the existing 46/4.16 kV Richford Substation, located in Richford, Vermont, to operate at 46/12.47 kV, will promote the general good of the State of Vermont, in accordance with 30 V.S.A. § 248, and a certificate of public good shall be issued in this matter.

Dated at Montpelier, Vermont, this 10th day of July, 2002.

<u>s/Michael H. Dworkin</u>)	
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<u>s/David C. Coen</u>)	PUBLIC SERVICE
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)	BOARD
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<u>s/John D. Burke</u>)	OF VERMONT

OFFICE OF THE CLERK

FILED: July 10, 2002

ATTEST: s/Susan M. Hudson
Clerk of the Board

NOTICE TO READERS: This decision is subject to revision of technical errors. Readers are requested to notify the Clerk of the Board (by e-mail, telephone, or in writing) of any apparent errors, in order that any necessary corrections may be made. (E-mail address: Clerk@psb.state.vt.us)

Appeal of this decision to the Supreme Court of Vermont must be filed with the Clerk of the Board within thirty days. Appeal will not stay the effect of this Order, absent further Order by this Board or appropriate action by the Supreme Court of Vermont. Motions for reconsideration or stay, if any, must be filed with the Clerk of the Board within ten days of the date of this decision and order.